

**DV01 MECHELLE LIMITED**

**ACN 061 343 959**

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**DIVIDEND REINVESTMENT PLAN**

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## ACN 061 343 959

### DIVIDEND REINVESTMENT PLAN

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#### TERMS AND CONDITIONS

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#### 1. INTERPRETATION

##### 1.1 Definitions

When used in this Plan the following words have the following meanings:

**Administrator** means TMF Fundadministrators (Australia) Pty Limited.

**After – Tax NAV per Share** means the Net Asset Value divided by the number of Shares on issue, as calculated on the last Business Day of each Buy Back Period and announced by the Company on its website.

**Closing Date** means the date two business days prior the record date for the purposes of determining Shareholder entitlements to dividends to which any proposed allotment under this Plan will relate, as notified by the Company from time to time.

**Company** means DV01 Mechelle Ltd (ACN 061 343 959).

**Directors** mean the directors of the Company.

**Dividend Payment Date** means the date on which a Dividend is payable, as announced by the Directors.

**Dividend Reinvestment Price** means the After-Tax NAX per Share as at the last Business Day of the calendar month in which a dividend record date occurs, reduced by an amount of one per cent, or as determined by the Directors in their absolute discretion.

**Dividend Shares** means Shares (including Participating Shares) upon which a dividend is payable.

**Election** means a request made by a Shareholder (or Shareholders in the case of joint holdings) to the Company on an Election Form in accordance with clause 12.

**Election Form** means the form set out in Schedule 1 or such other form approved by the Directors from time to time, which may (without limitation) be combined with or form part of any other form or notice.

**Excluded Shares** means Shares which, on any Closing Date, are not eligible to receive a full dividend on the relevant allotment date.

**Excluded Transaction** means each of the following:

- (a) any overseas trade in respect of the Shares;

- (b) any trade pursuant to the exercise of options over Shares; and
- (c) any other sale which the Company considers may not be fairly reflective of natural supply and demand.

**Full Participation** has the meaning set out in clause 4.3.

**Price** means, in relation to a dividend the price determined by the Directors in their absolute discretion as representing the fair market value of Shares.

**Net Asset Value** means the value of the Company, calculated by the Administrator, in Australian Dollars and in accordance with the Company's Valuation Policy available at [www.dvo1.com](http://www.dvo1.com) or by calling us on +61 8 9483 5200.

**Non-Participant** means a Shareholder who is not a Participant.

**Non-Participating Shares** means Shares that are not Participating Shares.

**Non-Participation** means where a Shareholder does not participate in the Plan to any degree of their shareholding.

**Partial Participation** has the meaning set out in clause 4.4.

**Participant** means a Shareholder participating in the Plan.

**Participating Shares** means Shares in respect of which the Shareholder is participating in the Plan.

**Participation** means Full Participation or Partial Participation.

**Plan** means the dividend reinvestment plan constituted by this document and incorporating these Terms and Conditions.

**Pricing Period** means the period not less than 20 Business Days prior to the Closing Date.

**Shareholder** means a person holding Shares.

**Share** means a fully paid ordinary share in the capital of the Company and such other share in the Company as the Directors may from time to time determine and **Shares** means the plural of the same.

**Terms and Conditions** means the terms, provisions and conditions of this Plan as may be amended from time to time pursuant to clause 10.

**Variation** means a request made by a Shareholder (or Shareholders in the case of joint holdings) to the Company on a Variation Form in accordance with clause 9.

**Variation Form** means the form set out in Schedule 2, or such other form approved by the Directors from time to time, which may (without limitation) be combined with or form part of any other form or notice.

**WST** means Western Standard Time.

## 1.2 Interpretation

In this Plan unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) an obligation or liability assumed by, or a right conferred on, two or more parties binds or benefits all of them jointly and each of them severally;
- (c) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (e) a reference to any document (including this Plan) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Plan and a reference to this Plan includes any schedule, exhibit or annexure to or of this Plan;
- (i) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (j) a reference to **\$** or **dollar** is to Australian currency.

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## **2. ELIGIBILITY**

### **2.1 Eligibility**

Subject to clause 2.2, all Shareholders are eligible to participate in the Plan.

### **2.2 Shareholders resident outside Australia**

- (a) Allotments of Shares to Shareholders who are not resident in Australia at the time of allotment are subject to all necessary governmental approvals.
- (b) A Shareholder who is subject to the laws of a country or a place other than Australia may not be eligible to participate in the Plan because of legal requirements that apply in that country or place.
- (c) Before electing to participate in the Plan, Shareholders who are not resident in Australia should seek professional advice to ascertain if any restrictions apply.
- (d) The Directors may on any occasion determine that the right to participate in the Plan is not available to Shareholders:

- (i) whose registered addresses are in a country or place where the offer of a right of election would or might be unlawful if no registration statement is given or other formality complied with; or
- (ii) if in the opinion of the Directors either the law of Australia or that of another country or some other matter or thing in the opinion of the Directors makes Shareholders' participation illegal, impossible or impracticable.

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### **3. PARTICIPATION IN THE PLAN**

#### **3.1 Participation**

Participation in the Plan is:

- (a) optional;
- (b) not transferable; and
- (c) subject to the Terms and Conditions.

#### **3.2 Opportunity to Participate**

The Company must:

- (a) give those Shareholders who have not previously been given an opportunity to participate in the Plan, an opportunity to do so, prior to each dividend being resolved;
- (b) give each Non-Participant, with their dividend notice, an opportunity to become a Participant in respect of any future dividends to be distributed by the Company; and
- (c) allow any Shareholder to elect at any time to become a Participant.

#### **3.3 Election to Participate**

An Election to participate in the Plan must be made on an Election Form.

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### **4. DEGREE OF PARTICIPATION**

#### **4.1 Full or Partial Participation**

A Shareholder may participate in the Plan in respect of either:

- (a) some of the Shares registered in its name (**Partial Participation**); or
- (b) all Shares registered in its name (**Full Participation**).

#### **4.2 Election Form**

A Shareholder must specify on the Election Form the degree to which the Shareholder wishes to participate in the Plan by:

- (a) indicating Full Participation; or

- (b) indicating how many Shares the Shareholder wishes to have participate in the Plan for Partial Participation.

#### **4.3 Full Participation**

In the case of Full Participation, all Shares registered in the Participant's name at the time of commencement of the Full Participation and all Shares subsequently registered in the Participant's name (including Shares issued pursuant to the Plan) will be subject to the Plan.

#### **4.4 Partial Participation**

In the case of Partial Participation, only that number of Shares indicated by the Participant for participation in the Plan and Shares issued pursuant to the Plan will be subject to the Plan.

#### **4.5 Deemed Full Participation**

An Election Form received by the Company which indicates a number of Participating Shares in excess of the number of Shares held by the Shareholder making the Election, is deemed to be an Election for Full Participation.

#### **4.6 Failure to indicate degree of participation**

An Election which does not indicate the degree of participation in the Plan, may, without notice to the Shareholder and at the discretion of the Company, either be rejected or deemed by the Company to be an Election for Full Participation. The Company is not liable to any Shareholder for any loss, damage or claim in respect of either the Shareholder's Participation or Non-Participation, as the case may be, pursuant to the exercise or manner of exercise by the Company of such discretion.

#### **4.7 Excluded Shares**

Excluded Shares will not participate in the Plan.

#### **4.8 Cessation of Participation of Shares upon Sale or transfer**

Shares which are sold or otherwise transferred to a new owner will cease to participate in the Plan on registration of the transfer by or on behalf of the Company.

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### **5. OPERATION OF THE PLAN**

#### **5.1 Account**

The Company will establish and maintain a Plan Account in respect of each Participant. For each Dividend payable to a Participant, the Company will:

- (a) determine the amount of dividend payable to the Participant in respect of the Participant's Participating Shares and credit that amount to the Participant's Plan Account;
- (b) determine (where applicable) the Australian withholding tax in respect of that Dividend, and any other sum that the Company is entitled to or required to retain in respect of the Participating Shares and debit that amount from the Participant's Plan Account;

- (c) determine the maximum number of fully paid ordinary Shares in accordance with the entitlement formula outlined in clause 5.4;
- (d) on behalf of the Participant subscribe for or otherwise acquire, in terms of the deemed direction described in clause 5.2 below, and allot and transfer that number of ordinary fully paid Shares calculated in accordance with clause 5.1(c) above and debit the Participant's Plan Account with the amount calculated as the Price multiplied by the number of allotted or transferred Shares;

## **5.2 Deemed Directions by Shareholder**

A Shareholder who applies to participate in the Plan will, in making his or her election, be deemed to have directed the Company to apply for or otherwise acquire the number of Shares as is determined by the application of the formula in clause 5.4.

## **5.3 Issue New Shares or Purchase Existing Shares**

The Directors in their absolute discretion will determine, with respect to the operation of the Plan for any Dividend, whether to issue new Shares or to cause the purchase and transfer of existing Shares, or to apply a combination of both options, to satisfy the Company's obligations under these Terms and Conditions.

If the Directors determine to cause the purchase of Shares and their transfer to Participants, the Shares may be acquired as the Directors consider appropriate. The Company, if it so chooses, may create a trust (of which the Participants are the beneficiaries) to acquire the Shares and then transfer or sell such Shares to the Participants.

## **5.4 Allotment**

Subject to clause 5.5, each dividend payable to a Participant in respect of Participating Shares and available for payment to the Participant will, upon payment, be applied by the Company on the Participant's behalf in subscribing for that number of Shares ascertained from the following formula:

$$S = \frac{Px E}{M}$$

Where:

"S" is the number of Shares to be allotted to the Participant;

"P" is the number of Participating Shares registered in the name of the Participant to which the allotment relates;

"E" is the dividend per Share declared by the Directors on Dividend Shares; and

"M" is the Dividend Reinvestment Price.

## **5.5 Fractional Entitlements**

Where a fraction of a Share results from the calculation required under clause 5.1, that fraction shall be rounded up to the nearest whole number.

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**6. SHARES ALLOTTED UNDER THE PLAN**

Shares allotted under the Plan will:

- (a) be allotted in accordance with the Company's Constitution;
- (b) rank equally in all respects with existing Participating Shares of the same class; and
- (c) be registered on a share register selected by the Directors.

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**7. COSTS TO PARTICIPANTS**

No brokerage, commission, stamp duty or other transaction costs will be payable by Participants in respect of any allotment of Shares under the Plan.

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**8. STATEMENTS TO THE PARTICIPANTS**

As soon as practicable after each allotment of Shares pursuant to the Plan, the Company will send each Participant to whom Shares have been allotted a statement setting out:

- (a) the number of the Participant's Participating Shares at the relevant Closing Date;
- (b) the Dividend payable in respect of that Participant's Participating Shares;
- (c) if applicable, the amount of withholding tax or other amount under clause 5.1(b) which has been deducted from the Dividend payable to the Participant;
- (d) the number of Shares allotted under the Plan in relation to the allotment to which the statement relates and the date on which the Shares were allotted;
- (e) the price at which each Share pursuant to the Plan was issued;
- (f) the franked amount (if any) of the Dividend and the franking credit (if any) attaching to the Dividend;
- (g) subject to any Share transaction in which the Participant may have engaged after the Dividend Closing Date, the total number of Participating Shares (including the Plan Shares) which the Participant holds after the issue; and
- (h) any other matters required by law to be included in a statement confirming the transaction.

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**9. VARIATION OR TERMINATION OF PARTICIPANT'S PARTICIPATION****9.1 Notice of Variation or Termination**

Subject to clause 12, a Participant may at any time give notice to the Company to:

- (a) increase or decrease the number of his or her Participating Shares; or



(b) terminate his Participation,  
by completing and returning a Variation Form to the Company.

## **9.2 Death, Bankruptcy or Liquidation of Participant**

On receipt by the Company of a notice of the death, bankruptcy or liquidation of a Participant, the Participation by the Participant and any other Participants with whom the Participant was a joint holder, will terminate.

## **9.3 Participant ceasing to be Shareholder**

If a Participant ceases to be a Shareholder in respect of any Participating Shares, its Participation will terminate at such time as this matter of ineligibility comes to the attention of the Company.

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## **10. VARIATION, SUSPENSION, RECOMMENCEMENT AND TERMINATION OF THE PLAN**

- (a) This Plan may be:
- (i) varied;
  - (ii) suspended;
  - (iii) recommenced; or
  - (iv) terminated,
- by the Directors (subject to the Corporations Act and the Company's Constitution) at any time.
- (b) A variation, suspension, recommencement or termination of the Plan will take effect:
- (i) on such date as the Directors determine; and
  - (ii) in the case of a suspension, until such time as the Directors resolve either to recommence or terminate the Plan.
- (c) Any variation, suspension, recommencement or termination of the Plan, will not give rise to any liability on the part of, or right of action against, the Company or its Directors.
- (d) If the Plan is varied, a Participant continues to participate under the modified Plan (with such modifications to the Participant's specified number of Participating Shares, if any, as is required by the modification) unless the Participant notifies the Company to the contrary by completing and submitting a Variation Form.
- (e) If the Plan is suspended, Participants' elections as to participation in the Plan will cease to be effective and all Shares will be deemed to be Non-Participating Shares for the purpose of any Dividend declared while the Plan is suspended. If the Plan remains suspended for two or more consecutive Dividend Payment Dates, then any Election Form previously lodged by each Participant will be deemed void.
- (f) If the Plan is recommenced following a suspension for:

- (i) less than two consecutive Dividend Payment Dates, the Participant's previously suspended Election Form will be reinstated and be valid and effective, unless determined otherwise by the Company and notified to Participants; or
  - (ii) two or more consecutive Dividend Payment Dates, each Participant who wishes to participate in the recommenced Plan must complete and return a new Election Form, in accordance with clause 4.2.
- (g) The Company will give notice of:
- (i) at least two months to Shareholders of termination or variation of the Plan;
  - (ii) suspension or recommencement of the Plan as soon as reasonably practicable prior to the effective date;
  - (iii) the accidental omission to give notice of variation, suspension or termination to any Participant or the non-receipt of any notice by a Participant will not invalidate the variation, suspension or termination of the Plan or any issue, allotment or transfer of Shares under the Plan.

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## **11. REDUCTION OR TERMINATION WHEN NO NOTICE IS GIVEN**

- (a) Shares transferred by a Participant will be taken to comprise:
- (i) firstly, Non-Participating Shares; and
  - (ii) secondly, Participating Shares to the extent the number of Shares transferred exceeds the number of Non-Participating Shares,
  - (iii) unless the Participant notifies the Company otherwise.
- (b) Where a Participant transfers all of his or her Shares without giving prior notice of termination of Participation to the Plan, the Participant is deemed to have given notice to terminate his Participation in the Plan on the last date when the Company registered the relevant transfer or instrument of disposal of the Participant's Shares.
- (c) Where a Participant transfers Participating Shares, those Participating Shares shall, upon registration of the transfer, cease to be Participating Shares.

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## **12. ELECTION AND NOTICES**

### **12.1 Form**

- (a) All Elections and notices required by this Plan must be in writing and in such form as the Company may from time to time require.
- (b) Elections must be made and notices must be given by the Participant separately in respect of each holding of the Shares identified by a separate holder in the books of the Company.

### **12.2 Joint Shareholders**

Where Shares are held jointly, all Elections and notices must be signed by all joint Shareholders.

### **12.3 Effective**

An Election and notice will be effective on receipt by the Company subject to:

- (a) these Terms and Conditions;
- (b) acceptance by the Directors in the case of an Election;
- (c) subject to paragraph (d) of this clause, receipt by the Company on or before 5:00pm (WST) on the relevant Closing Date; and
- (d) such other restrictions which the Directors may from time to time impose.

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## **13. NOTICES AND ANNOUNCEMENTS RELATING TO THE PLAN**

### **13.1 Notice**

Any notice or announcement relating to the Plan may be effected by notice to Participants (or if the Company so decides to all Shareholders) in accordance with the provisions regarding the giving of notice to Shareholders in the Company's Constitution. Any such notice is effective from the date it is given.

### **13.2 Settling Disputes**

The Directors may settle, in such manner as they think expedient, any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of this Plan whether generally or in relation to any Participant or any Shares and the determination of the Directors is conclusive and binding on all Participants and other persons to whom the determination arises.

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## **14. TAXATION**

- (a) Neither the Company nor its Directors, officers, employees, representatives or agents take any responsibility or assume any liability for the taxation liabilities of Participants.
- (b) As individual circumstances and laws vary considerably, specific taxation advice from professional advisers should be obtained by each Participant.

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## **15. GENERAL**

The Plan does not apply in any case where, in accordance with the Constitution of the Company or otherwise by law:

- (a) the Directors are entitled to retain all or part of a dividend payable in respect of Shares which a Participant has nominated as participating in the Plan; or
- (b) the Company is entitled to a charge over such Shares or over any dividend payable in respect thereof.

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**16. GOVERNING LAW**

This Plan shall be governed by and construed in accordance with the law from time to time in the State of Western Australia and the Parties agree to submit to the non-exclusive jurisdiction of the courts of Western Australia and the courts which hear appeals there from.

**SCHEDULE 1 – FORM OF ELECTION NOTICE**

**DV01 MECHELLE LTD  
DIVIDEND REINVESTMENT PLAN  
ELECTION FORM**

Name and Address:

Shares Held:

.....  
.....  
.....  
.....  
.....

.....

Registered Holder/s:

.....  
.....

**DO NOT COMPLETE THIS FORM UNTIL YOU HAVE READ THE TERMS AND CONDITIONS**

I/We elect to receive dividends in the form of Shares under the DV01 Mechelle Ltd Reinvestment Plan as follows:

**A. Full Participation**

All fully paid ordinary shares from time to time registered in my/our name(s) (please tick box opposite if applicable)

OR

**B. Partial Participation**

Number of Shares nominated to participate in the Plan

\_\_\_\_\_ (Enter Number)

Signature of Shareholder(s): .....

Date: .....

## HOW TO SIGN THIS ELECTION FORM

Individual Shareholders:	Sign yourself or by your attorney.
Corporations:	Sign under seal or by an officer duly authorised in writing.
Joint Shareholders:	All must sign.
Power of Attorney:	If this notice is signed under power of attorney the power must either have been produced previously to the Company or be duly stamped and accompany this notice.
Authority:	If this notice is signed by an authorised officer of a corporation a certified copy of the resolution of directors authorising the officer must either have been produced previously to the Company or accompany this notice.

## LODGEMENT INSTRUCTIONS

To be effective in respect of any dividend the Election Form must be received by 5:00pm WST on the Closing Date in respect of that dividend. Participation automatically applies to all subsequent dividends. If the Election Form is returned signed but with no option indicated, it will be treated as an application for Full Participation.

### Send Election Forms to:

**Postal/Email**  
DV01 Funds Management Pty Ltd

PO Box 5672  
Perth St Georges Terrace WA 6831  
Australia

Fax: +61 8 9483 5222  
Tel: +61 8 9483 5200  
Email: [dvo1mechelle@dvo1.com](mailto:dvo1mechelle@dvo1.com)

## THIS DOCUMENT IS IMPORTANT

This is your election to participate in the DV01 Mechelle Ltd Dividend Reinvestment Plan. If you are in doubt about what to do, please consult your stockbroker, bank manager, solicitor, accountant or other financial adviser immediately.

**SCHEDULE 2 – FORM OF VARIATION FORM**

**DV01 MECHELLE LTD  
DIVIDEND REINVESTMENT PLAN  
VARIATION FORM**

I/We wish to vary my/our level of participation in the Plan as follows:

(Please tick)

- |  | <b>FULL</b>              | <b>PARTIAL</b>           |
|--|--------------------------|--------------------------|
| A. My/Our present level of participation in the Plan is: | <input type="checkbox"/> | <input type="checkbox"/> |
| B. I/We wish to amend this degree of participation to:   | <input type="checkbox"/> | <input type="checkbox"/> |

Partial participants please enter in the space opposite the number of Shares which are to participate in the Plan.

.....

- C. I/We wish to terminate my/our participation in the Plan (please tick box opposite if you wish to terminate your participation in the Plan).

I/We understand that this notice has no effect in respect of the next dividend payment unless it is received by the Company by no later than 5:00pm WST on the Closing Date to enable determination of entitlements to payment of that dividend.

Holder Number: .....

Name(s):  
(as shown on share certificate/holding statement) .....

Address: .....

.....

Signature of Shareholder(s) .....

.....

Date: .....

## HOW TO SIGN THIS VARIATION FORM

Individual Shareholders:	Sign yourself or by your attorney.
Corporations:	Sign under seal or by an officer duly authorised in writing.
Joint Shareholders:	All must sign.
Power of Attorney:	If this notice is signed under power of attorney, the power must either have been produced previously to the Company or be duly stamped and accompany this notice.
Authority:	If this notice is signed by an authorised officer of a corporation, a certificate copy of the resolution of directors authorising the officer must either have been produced previously to the Company or accompany this notice.

A Variation Form given to terminate participation in the Plan by reason of:

- (a) death, may be signed by the Shareholder's personal legal representative; or
- (b) bankruptcy or winding up, may be signed by the Shareholder's trustee in bankruptcy or liquidator as applicable.

## LODGEMENT INSTRUCTIONS

To be effective in respect of any dividend the Variation Form must be received by 5:00pm WST on the Closing Date in respect of that dividend. A change in the level of participation automatically applies to all subsequent dividends.

### Send Variation Forms to:

**Postal/Email**

DV01 Funds Management Pty Ltd

PO Box 5672

Perth St Georges Terrace WA 6831

Australia

Fax: +61 8 9483 5222

Tel: +61 8 9483 5200

Email: [dvo1mechelle@dvo1.com](mailto:dvo1mechelle@dvo1.com)